

## **REMARKS**

Claims 1-3 and 7-8 are in the case and presented for consideration.

Claims 4-6 have been canceled without prejudice to Applicants' right to pursue the canceled subject matter in a continuing application.

Claims 1-3 have been improved to overcome the rejections to the claims under 35 U.S.C. § 112, second paragraph, for reasons such as lack of antecedent basis, indefiniteness, and errors in grammar and idiom. The specification has also been reviewed and improved, as suggested by the Examiner, to correct grammatical and idiomatic errors. The specification and claims are now believed to be in proper form. The claims represented are also believed to be patentably distinct over Lonati. No new matter has been added.

Claims 1-3 are as being allegedly anticipated by U.S. Patent 5,727,400 to Lonati, et al. ("Lonati").

In page 2, first paragraph, of the August 25, 2006 Office Action, the Examiner asserts that Lonati teaches the invention as claimed "including a dial plate (3), dial sinkers (6) and needles (7) and the steps of transferring the knit wear with a transfer means (4)..."

Applicants respectfully traverse the above-noted rejection.

It is submitted that Lonati does not disclose or suggest, for example, the structural and operative arrangement of at least the dial plate, dial sinkers and the transfer means, as defined in the claims.

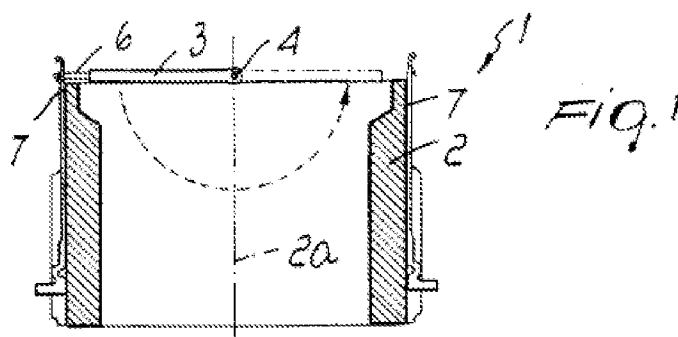
In the claimed invention<sup>1</sup>, the dial sinkers are divided into a first half of dial sinkers (4) and a second half of dial sinkers (4'). See, e.g., published application, paragraph [0018]. The first half of dial sinkers is adapted for transferring the knitted

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<sup>1</sup> The claimed invention will be discussed with reference to specific embodiments, this is done for purposes of illustration only and should not be construed to limit the spirit or the scope of the claimed invention.

loops retained on, e.g., the hook ends thereof to the respective loop retaining ends of the transferring means (5,6,51,61). See, e.g., published application, paragraph [0024]. The transferring means, which is initially positioned on the same side (or half) of the circular knitting machine as the first half of dial sinkers, then securely holds the knitted loops which have been transferred to it. See, e.g., published application, paragraph [0025]. Subsequently, the transferring means pivots, e.g., 180 degrees, about a transverse axis to the other side (or half) of the circular knitting machine, which is provided with the second half of dial sinkers and which also corresponds to the second half-circle of needles. See, e.g., published application, paragraph [0026]. Initially, the second half of dial sinkers is in a retracted position. After the transferring means is overturned, the second half of dial sinkers is actuated to extend, e.g., radially outward to engage and carry the knitted loops from the loop retaining ends of the transferring means to a position over the respective ones of the second half-circle of needles. See, e.g., published application, paragraph [0027]. The respective ones of the second half-circle of needles are actuated to engage the knitted loops to, e.g., continue knitting the partially finished knitted product (e.g., a sock). See, e.g., published application, paragraphs [0027] and [0028].

One of key distinctions between Lonati and the claimed invention is that the dial sinkers (of the claimed invention), which are adapted for conveying knitted loops to the transferring means on the side corresponding to the first half-circle of needles and for conveying knitted loops from the transferring means on the side corresponding to the second half-circle of needles, are not pivoted with the transferring means, as the Examiner has suggested to the contrary in the Office Action. However, in Lonati, the hooks (6) and the optional complementary hooks (8) are connected to the half platen and the hooks (6,8) are overturned with the half platen (3). See Lonati, col. 4, lines 49-56, and FIG. 1 (below).



In addition, Applicants' claim 1 recites other steps/features which are missing from Lonati, such as, for example, a step of "retracting the first half of dial sinkers (4) inward to transfer the knitting loops on the retained edge to corresponding loop retaining ends on transferring means (5,6,51,61) with the loop retaining ends pointing toward the first half-circle of needles radially in a semi-circular pattern and the transferring means in operative arrangement with the first half dial sinkers (4), the transfer means being pivotable about a transverse axis"; a step of "overturning the transferring means about the pivotal axis thereof such that the loop retaining ends are pointing toward the second half-circle of needles and the transferring means is in operative engagement with the second half of dial sinkers (4')"; and a step of "extending the second half of dial sinkers (4') outward to engage and carry the knitted loops of the retained edge to a position over the respective ones of the second half-circle of needles". Since Lonati does not teach or suggest these required method steps as well as the features discussed previously, the claimed invention cannot be anticipated.

Based on the foregoing remarks and amendments, the application and claims are believed to be condition for allowance, and favorable action is respectfully requested.

If any issues remain, the Examiner is respectfully invited to contact the undersigned at the number below to advance the application to allowance.

Respectfully submitted,

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